

WEIL, GOTSHAL & MANGES LLP
Richard K. Slack (*pro hac vice*)
(richard.slack@weil.com)
Jessica Liou (*pro hac vice*)
(jessica.liou@weil.com)
Matthew Goren (*pro hac vice*)
(matthew.goren@weil.com)
New York, NY 10153-0119
Tel: (212) 310-8000
Fax: (212) 310-8007

*Attorneys for Debtors and
Reorganized Debtors*

KELLER BENVENUTTI KIM LLP
Tobias S. Keller (#151445)
(tkeller@kbbkllp.com)
Peter J. Benvenutti (#60566)
(pbenvenutti@kbbkllp.com)
Jane Kim (#298192)
(jkim@kbbkllp.com)
650 California Street, Suite 1900
San Francisco, CA 94108
Tel: (415) 496-6723
Fax: (650) 636-9251

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** ALL PAPERS SHALL BE FILED IN THE
LEAD CASE, NO. 19-30088 (DM).*

Case Nos. 19-30088 (DM) (Lead Case)
(Jointly Administered)

**DECLARATION OF ROBB MCWILLIAMS
IN SUPPORT MOTION FOR ENTRY OF
AN ORDER EXTENDING DEADLINE FOR
THE REORGANIZED DEBTORS TO
OBJECT TO CLAIMS**

Date: November 17, 2020
Time: 10:00 a.m. (Pacific Time)
Place: **(Telephonic or Video Only)**
United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

**Objection Deadline:
November 10, 2020, 4:00 pm (PT)**

1 I, Robb C. McWilliams, hereby declare that the following is true and correct to the best of my
2 knowledge, information, and belief:

3 1. I am a Managing Director at the firm of AlixPartners, LLP (“**AlixPartners**”), which is
4 an affiliate of both AlixPartners, LLC and AP Services, LLC, (“**APS**”), which provided interim
5 management services to Pacific Gas and Electric Corporation and Pacific Gas and Electric Company, as
6 debtors and reorganized debtors (collectively, the “**Debtors**,” or the “**Reorganized Debtors**”) in the
7 above-captioned chapter 11 cases (the “**Chapter 11 Cases**”). I submit this Declaration in support of the
8 *Motion for Entry of an Order Extending Deadline for the Reorganized Debtors to Object to Claims* (the
9 “**Motion**”),¹ filed contemporaneously herewith.

10 2. I am responsible for overseeing the case management component of AlixPartners’
11 assignment to assist the Reorganized Debtors with various matters related to these Chapter 11 Cases.
12 My responsibilities include the efforts by AlixPartners, in coordination with the Reorganized Debtors,
13 to review and assess the validity of all claims asserted against the Debtors, other than Fire Victim Claims
14 and Subrogation Wildfire Claims which are *not* covered by the Motion and will be resolved by the Fire
15 Victim Trust and the Subrogation Wildfire Trust, respectively, in accordance with the Plan. I am
16 generally familiar with the Reorganized Debtors’ day-to-day operations, financing arrangements,
17 business affairs, and books and records. Except as otherwise indicated herein, all facts set forth in this
18 Declaration are based upon my personal knowledge, the knowledge of other APS professionals working
19 under and alongside me on this matter, my discussions with the Reorganized Debtors’ personnel, the
20 Reorganized Debtors’ various other advisors and counsel, and my review of relevant documents and
21 information prepared by the Reorganized Debtors. If called upon to testify, I would testify competently
22 to the facts set forth in this Declaration. I am authorized to submit this declaration on behalf of the
23 Reorganized Debtors.

24 3. The AlixPartners team under my supervision has been actively involved in the claims
25 review and reconciliation process since shortly after the filing of these Chapter 11 Cases. AlixPartners
26 initially assisted the Debtors in the preparation of their bankruptcy schedules based on the Debtors’

27 ¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in
28 the Motion.

1 books and records. AlixPartners has coordinated with the Debtors in reconciling and reviewing filed
2 proofs of claim with claims reflected in the Debtors' schedules and books and records. AlixPartners has
3 developed and maintains a claims reconciliation database and various data management applications that
4 are used by the Reorganized Debtors and AlixPartners to validate claims as well as identify claims that
5 are invalid in whole or in part, and the appropriate grounds for objection to such claims. AlixPartners is
6 now supporting, and will continue to support, the efforts of the Reorganized Debtors and their counsel
7 to resolve disputed claims, including by formal objections as necessary.

8 4. Following the commencement of these Chapter 11 Cases, creditors filed or had listed in
9 the Debtors' schedules of liabilities approximately 22,440 Claims asserting over \$68.4 billion in
10 liabilities. This excludes Claims listed in the Debtors' schedules as contingent, unliquidated, and/or
11 disputed, as well as approximately 86,000 asserted Fire Victim Claims and Subrogation Wildfire Claims.

12 5. Thus far, the Reorganized Debtors have successfully expunged, reduced through
13 settlement, or otherwise resolved approximately 7,200 Proofs of Claims asserting approximately \$50.7
14 billion in Claims against the Debtors—representing approximately 74% of the Claims asserted in these
15 Chapter 11 Cases—and have made distributions on account of approximately 3,400 Claims, totaling
16 approximately \$24.1 billion.²

17 6. Approximately 15,200 Claims asserting approximately \$17.7 billion remain unresolved
18 as of today's date. The Reorganized Debtors expect many of the Remaining Claims to be fact-specific
19 and time-consuming to resolve and are likely to include, among other things, arising from property
20 damage, personal injury and commercial disputes, Subordinated Securities Claims, tax claims, complex
21 trade claims, lien claims, customer claims, protective claims and regulatory claims.

22 7. The reconciliation, resolution and distributions to date have required extensive efforts of
23 a large team of advisors, attorneys, and the Reorganized Debtors' personnel. Thorough and careful
24 review and reconciliation of all Claims is required to address the multitude of adjustments that may be
25 required, including, but not limited to, the disallowance of duplicative Claims, reductions to Claims in

26 _____
27 ² This amount excludes the cash transfers made pursuant to the Plan on the Effective Date to the Fire
28 Victim Trust of more than \$5 billion and to the Subrogation Wildfire Trust of approximately \$11 billion.

1 connection with cure or other authorized payments in satisfaction of asserted amounts, negotiated
2 reductions to inflated or unsubstantiated damage Claims, the disallowance of contingent and
3 unliquidated Claims and the reclassification of Claims which assert amounts under an incorrect priority.
4 This requires extensive review and communication between the Reorganized Debtors' personnel and
5 their professionals.

6 8. The Reorganized Debtors have filed twenty-four Omnibus Objections thus far during the
7 Chapter 11 Cases. Through the prosecution of the Omnibus Objections, approximately 1,900 Claims
8 have been modified, disallowed and/or expunged, reducing the amounts asserted against the Debtors by
9 approximately \$21.8 billion. In addition, approximately 1,000 additional Claims are currently subject
10 to pending Omnibus Objections, which seek to further reduce the asserted Claims pool by an additional
11 approximately \$500 million. Furthermore, the Reorganized Debtors anticipate filing Omnibus
12 Objections to approximately 3,200 additional Claims asserting approximately \$970 million prior to the
13 date of the hearing on this Motion.

14 9. The Debtors and Reorganized Debtors have undertaken extensive efforts to consensually
15 resolve certain Claims through negotiated settlements. Approximately 1,400 Claims have been resolved
16 pursuant to executed settlement agreements, reducing the asserted Claims by approximately \$740
17 million. The Reorganized Debtors continue to pursue negotiated settlements and have, in fact, extended
18 settlement offers which, if accepted, will resolve an additional 190 Claims, reducing the asserted Claims
19 by approximately \$62 million.

20 10. The Debtors and Reorganized Debtors have also undertaken extensive efforts both prior
21 to and after the Effective Date to proactively contact Claimants, on a formal and informal basis, for
22 additional information to assist the Reorganized Debtors in their efforts to reconcile claims and avoid
23 unnecessarily burdening the Court with discovery requests and additional Omnibus Objections. As part
24 of this effort, the Debtors and Reorganized Debtors sent informal information request letters to
25 approximately 2,000 Claimants requesting additional information to facilitate the Debtors' review of
26 certain Claims where little or no information was filed as a part of a Proof of Claim. As of the date
27 hereof, the Reorganized Debtors have also sent formal information requests pursuant to the ADR
28 Procedures Order to approximately 200 Claimants. In addition to the formal information requests

1 described above, the Debtors and Reorganized Debtors have initiated outreach to specific Claimants, as
2 needed, in connection with their ongoing claims reconciliation efforts.

3 11. I am informed and believe that the Reorganized Debtors and their professionals have been
4 engaged in other time-consuming and complicated matters since the Effective Date, including, among
5 other things, (a) litigating seven pending appeals of the Confirmation Order and several other discrete
6 appeals; (b) litigating several different matters before the Court relating to, among other things, the
7 resolution of the Subordinated Securities Claims; (c) briefing and arguing initial legal oppositions to the
8 request for allowance and payment of an administrative expense claim filed by Elliott Management
9 Corporation and certain other noteholders; (d) continuing to work to resolve the remaining Cure Disputes
10 and other objections relating to the assumption or rejection of executory contracts and unexpired leases
11 under the Plan; (e) negotiating several stipulations with Claimants to allow various litigation matters to
12 proceed to liquidation; and (f) coordinating with the Fire Victim Trust regarding Fire Victim Claims that
13 have been channeled to the Fire Victim Trust and responding to inquires in connection thereto.

14 I declare under penalty of perjury, as set forth in 28 U.S.C. § 1746, that the foregoing is true and
15 correct to the best of my knowledge, information, and belief. Executed this twenty-seventh day of
16 October, 27, 2020, in Dallas, Texas.

17 /s/ Robb McWilliams
18 Robb McWilliams
19
20
21
22
23
24
25
26
27
28